

Message Text

LIMITED OFFICIAL USE

PAGE 01 STATE 102337

45

ORIGIN L-03

INFO OCT-01 EUR-06 ADP-00 RSC-01 /011 R

DRAFTED BY L: L/ C: TTFHUANG; MB

5/29/73 EXT 21367

APPROVED BY L: L/ C: TTFHUANG

EUR/ IB: JMSMITH (DRAFT)

----- 067522

R 291615 Z MAY 73

FM SECSTATE WASHDC

TO AMEMBASSY MADRID

LIMITED OFFICIAL USE STATE 102337

E. O. 11652: N/ A

TAGS: EFIN, OTRA

SUBJECT: THE VALUE ADDED TAX (VAT) AND ITS IMPACT ON U. S.

DIPLOMATIC AND CONSULAR EXPENDITURES

REFS: STATE 99750 AND 100975, AND MADRID 2899

1. PROMPT EMBASSY RESPONSE APPRECIATED. DUE TIME
PRESSURE AND NEED FOR BREVITY, PRECISE STATUS OF SPAIN
WAS NOT NOTED SEPARATELY IN STATE 99750.

2. SUBCOMMITTEE IS AWARE THAT SPAIN IS NOT MEMBER OF
EUROPEAN ECONOMIC COMMUNITY (OF NINE MEMBERS) WHICH NOW
APPLY THE VALUE ADDED TAX (VAT). ACCORDING TO INFORMATION
AVAILABLE TO SUBCOMMITTEE, SPAIN, BY LAW OF JUNE 11, 1964,
INTRODUCED THE MULTISTAGE CUMULATIVE CASCADE TAX (IMPUESTO
GENERAL SOBRE EL TRAFICO DE LAS EMPRESAS). BOTH CASCADE
TAX AND VALUE ADDED TAX ARE CONSUMPTION TAXES OF MULTI-
STAGE TYPE PRINCIPAL DISTINCTION BEING WHETHER
NONCUMULATIVE (VAT) OR CUMULATIVE (CASCADE).

3. CONSIDERATION OF SPANISH CASCADE TAX WAS INCLUDED IN
COMMITTEE' S TAX STUDY FOR COMPARISON AND BETTER
UNDERSTANDING OF VAT BECAUSE PRESENT VALUE ADDED TAX
COUNTRIES AUSTRIA, BELGIUM, GERMANY, ITALY AND THE
LIMITED OFFICIAL USE

LIMITED OFFICIAL US

*** Current Handling Restrictions *** n/a

*** Current Classification *** LIMITED OFFICIAL USE

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 29 MAY 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: golinofr
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973STATE102337
Document Source: CORE
Document Unique ID: 00
Drafter: L/ C: TTFHUANG: MB
Enclosure: n/a
Executive Order: n/a
Errors: n/a
Film Number: n/a
From: SECSTATE WASHDC
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19730556/aaaajyqr.tel
Line Count: 54
Locator: TEXT ON-LINE
Office: ORIGIN L
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 1
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 73 STATE 99750 AND 100975, AND MADRID 2899
Review Action: RELEASED, APPROVED
Review Authority: golinofr
Review Comment: n/a
Review Content Flags: ANOMALY
Review Date: 26 SEP 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <26-Sep-2001 by kelleyw0>; APPROVED <26 FEB 2002 by golinofr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: <DBA CORRECTED> wfs 980311
Subject: THE VALUE ADDED TAX (VAT) AND ITS IMPACT ON U. S. DIPLOMATIC AND CONSULAR EXPENDITURES
TAGS: EFIN, OTRA, SP
To: MADRID
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005